

Message Text

UNCLASSIFIED

PAGE 01 RIO DE 00582 151322Z

51

ACTION COME-00

INFO OCT-01 ARA-16 ISO-00 AID-20 EB-11 DOTE-00 EA-11 OMB-01

XMB-07 TRSE-00 CIAE-00 INR-10 NSAE-00 RSC-01 DRC-01

/079 W

----- 045994

P R 151225Z FEB 74

FM AMCONSUL RIO DE JANEIRO

TO SECSTATE WASHDC PRIORITY 171

INFO AMEMBASSY BRASILIA

AMCONSUL SAO PAULO

UNCLAS RIO DE JANEIRO 0582

E.O. 11652: N/A

TAGS: BEXP, BR

SUBJECT: RAILROAD CARS FOR BRAZIL

REF: STATE 028572

1. TOTAL OF NINE BIDS SUBMITTED FEB. 13 TO THE FEDERAL RAILWAY SYSTEM (RFFSA) FOR SUPPLY VARIOUS TYPES RAILCARS, INCLUDING 1400 OPEN AND CLOSED HOPPER CARS IN WHICH PULLMAN-STANDARD INTERESTED. RFFSA WILL ANNOUNCE NAMES OF QUALIFYING FIRMS ON FEBRUARY 20, AT WHICH TIME TECHNICAL AND FINANCIAL BID ENVELOPES WILL BE PUBLICLY OPENED. WINNING FIRM WILL BE SELECTED SUBSEQUENTLY.

2. CONGEN OFFICERS ATTENDED BID PRESENTATION AND HAD OPPORTUNITY DISPLAY U.S. GOVT. INTEREST TO RFFSA COMMITTEE DESIGNATED TO JUDGE BIDS. ADDITIONALLY, CONGEN OFFICERS HAVE MET WITH RFFSA DIRECTORS ON NUMEROUS OCCASIONS TO EMPHASIZE U.S. GOVERNMENT DESIRE AID PULLMAN AS WELL AS ASSISTANCE PULLMAN COULD PROVIDE IN BRAZIL'S RAILROAD EXPANSION PROGRAM.

3. THE FOLLOWING FIRMS SUBMITTED BIDS:

A) SOCIETE GREGG D'EUROPE S.A. (BELGIUM)

UNCLASSIFIED

UNCLASSIFIED

PAGE 02 RIO DE 00582 151322Z

B) FABRICA ARGENTINA DE VAGONES & SILOS (ARGENTINA)

C) BRASCANDIA COMERCIAL E INDUSTRIA DE MAQUINAS
E EQUIPAMENTOS REPRESENTING DIRECTION GENERAL
DE FERROCARRILES MILITARES (ARGENTINA)
D) MECANOEXPORT (ROMANIA)
E) MITSUI BRASILEIRA COMERCIO E REPRESENTACOES,
REPRESENTING A CONSORTIUM OF THREE JAPANESE
MANUFACTURERS;
F) SOCIETE FRANCO-BELGE DE MATERIAL DE CHEMINS
DE FER (FRANCE)
G) COMPANHIA DE COMERCIO E CONSTRUCOES
(BRAZIL)
H) CONSORCIO NACIONAL DE VAGOES (BRAZIL) CONSORTIUM
INCLUDES MAFERSA, FNV, COBRASMA AND SANTA
MATILDE.
I) FERRAGENS SANTOS S.A., REPRESENTING PULLMAN-
STANDARD (USA)

4. COMPETITIVE FACTORS ARE OF COURSE PRICE, QUALITY
AND DELIVERY SCHEDULE. JAPANESE APPEAR TO BE STRONGEST
COMPETITORS. ARGENTINE PARTICIPATION IN BID CAME
AS SURPRISE.
SOCIETE GREGG MAY NOT QUALIFY AS THEY HAVE FAILED REGISTER
WITH RFFSA AS REQUIRED BID SPECIFICATIONS.
BRAZILIAN CONSORTIUM
MAY HAVE TROUBLE IN DELIVERY TIME AS THEIR CAPACITY
IS STRAINED TO MEET PRESENT COMMITMENTS. COMPANHIA
DE COMERCIO CONSTRUCOES IS SMALL GUANABARA FIRM WITH
LIMITED PRODUCTION FACILITIES. WHILE FRENCH ARE
UNKNOWN FACTOR, THEIR REPUTATION IN RAIL SECTOR IS
GOOD AND FRENCH FIRM SOFRERAIL RECENTLY COMPLETED OVERALL
STUDY ON BEHALF OF RFFSA. ROMANIAN BID MOST PROBABLY
BASED ON BARTER TRANSACTION BALANCING UNFAVORABLE TRADE
ACCOUNT WITH BRAZIL. HOWEVER, RFFSA APPEARS AWARE
ROMANIANS UNLIKELY HAVE MUCH INCENTIVE FURNISH TOP
QUALITY EQUIPMENT UNDER THIS TYPE OF ARRANGEMENT.
WE UNDERSTAND RECENT RFFSA ACQUISITION YUGOSLAV
EQUIPMENT UNDER SIMILAR ARRANGEMENT TENDS TO BEAR
THIS OUT. PULLMAN CARS FORTUNATELY ENJOY EXCELLENT
REPUTATION IN BRAZIL. MOREOVER, FIRM'S LOCAL
REPRESENTATIVES BELIEVE PULLMAN'S PRICE AND DELIVERY
UNCLASSIFIED

UNCLASSIFIED

PAGE 03 RIO DE 00582 151322Z

SCHEDULE NOW COMPETITIVE.

5. WIDE PARTICIPATION IN BID WOULD SEEM TO INDICATE
PREVIOUS TIGHT SUPPLY SITUATION NOW EASING.
BOONSTRA

UNCLASSIFIED

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: n/a
Control Number: n/a
Copy: SINGLE
Draft Date: 15 FEB 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974RIODE00582
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: n/a
From: RIO DE JANEIRO
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19740229/aaaabauw.tel
Line Count: 112
Locator: TEXT ON-LINE
Office: ACTION COME
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators:
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: STATE 028572
Review Action: RELEASED, APPROVED
Review Authority: shawdg
Review Comment: n/a
Review Content Flags:
Review Date: 26 FEB 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <26 FEB 2002 by elbezefj>; APPROVED <02 DEC 2002 by shawdg>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: RAILROAD CARS FOR BRAZIL
TAGS: BEXP, BR
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005